

UNITED STATES BANKRUPTCY COURT
DISTRICT OF PUERTO RICO

IN RE:

CAYETANO MARTINEZ TALAVERA
LUZ VIOLETA CABRERA DE LEON

DEBTOR

CASE NO. 10-01330

CHAPTER 12

**MOTION REQUESTING AUTHORIZATION TO USE CASH COLLATERAL
PURSUANT TO 11 U.S.C. §363(c)(2) AND REQUESTING PRELIMINARY HEARING**

TO THE HONORABLE COURT:

HERE COMES Debtor through the undersigned attorney and respectfully requests and prays for the following:

1. Debtor through this motion requests permission, pursuant to 11 U.S.C. § 363(c)(2), to use creditor Eurobank's cash collateral and also requests an order from the Court to prevent Suiza Dairy from making payments to Eurobank.
2. Debtor filed a Chapter 12 petition on February 25, 2010 for which the confirmation of the plan is still pending.
3. Debtor is a dairy farm located in Hatillo, Puerto Rico. The cows at the dairy farm are not producing milk up to their capacity since they are not receiving the necessary intake of nutrients and food, resulting in death and reduction of the production of milk. The current situation of Debtor in loss of income due to the reduction in the production of milk and unable to reach a repayment agreement with secured creditor, Eurobank, steered them to file the instant petition.
4. Debtor has a milk quota from the Office of Regulation of Milk Industry of Puerto Rico of thirty eight thousand three hundred ninety seven (38,397) quarts every

fourteen (14) days, which is valued at \$959,925.00.

5. Eurobank is a secured creditor that holds a security interest over Debtor's property, milk quota and profits, in as much the properties listed in Schedules A and B of the petition. In fact, Eurobank is the only creditor that currently holds a security interest over Debtor's properties.
6. These properties hold a value of \$1,329,925 and creditor, Eurobank, has an interest of around \$1,294,000. A security interest that is over secured and serves as adequate protection.
7. Since creditor Eurobank is the holder of the properties described above and its profit, Debtor is requesting permission pursuant to 11 U.S.C. § 363(c)(2) the use of creditor Eurobank's cash collateral.
8. The allowance of the use of cash collateral will allow Debtor to increase the production of milk to its capacity, since it will permit for Debtor to supply the necessary intake of food and nutrients for the cows that will produce the milk for the dairy farm.
9. Debtor delivers its production to Suiza Dairy. As part of the security agreements Debtor made a cession of the money received from their production to creditor Eurobank, to whom Suiza Dairy makes the direct payments.
10. Debtor needs the proceeds from the sale of milk to buy food for the cows and to operate the farm in order to guarantee the health and safety of the cows and the further operation of the farm.
11. Debtor requests the use of an amount between \$22,508.00 to \$24,784.00 of the cash collateral since the operation fluctuates in a monthly basis. Debtor hereby

encloses as Exhibit "A" a statement of income and expenses of the farm. In addition, Debtor encloses as Exhibit "B" the projections of use of the cash collateral for the next three (3) months, period for which Debtor has requested the use of cash collateral.

12. Secured creditor Eurobank is taking all of the money received from the production. Debtor proposes the use of cash collateral for three (3) months and or until an agreement is reached with creditor as to the amount to be paid from the proceeds of the production of milk. In addition to and besides the guarantee that Eurobank already has, Debtor proffers a monthly amount of \$1,500 of the production milk from Suiza Dairy for the three (3) months or until an agreement is reached with creditor, as stated above.

13. Allowing the use of the cash collateral will be in the best interests of the debtor and secured creditor. The use of cash collateral will not reduce the value of the creditor's interest in the property.

14. For the reasons stated above, Debtor requests from this Honorable Court to authorize the use of creditor Eurobank's cash collateral and to order Suiza Dairy to stop making payments to Eurobank, along with the urgent scheduling of a Preliminary Hearing pursuant to 11 U.S.C. § 363(c)(2) and Rule 4001, U.S.C. F.R.B.P. R. 4001 to discuss the matters presented before the Court.

WHEREFORE, Debtor prays for an Order granting this motion with any other relief that in accordance to law this Honorable Court deems just and proper.

I CERTIFY that this motion has been electronically filed using CM/ECF and that a copy of the same was forwarded to: the office of: José R. Carrión Morales, Esq.,

Chapter 12 Trustee and all other parties in interest, and by certified mail to: José R. Carrión Morles, Esq. P.O. Box 9023884 San Juan, P.R. 00902-3884 and to creditor Eurobank , PO Box 191009, San Juan, Puerto Rico 191009-1009; Luis Gonzalez, Officer for Eurobank, PO Box 191009, San Juan, Puerto Rico 191009-1009; To an Officer, Managing or General Agent Eurobank , PO Box 191009, San Juan, Puerto Rico 191009-1009; Eurobank, PO Box 191009, San Juan, Puerto Rico 191009-1009; Sergio Ramirez de Arellano, Attorney for Eurobank, Suite 1133 Banco Popular Center, 209 Muñoz Rivera Ave. San Juan, PR 00918-1009.

In Caguas, Puerto Rico, this 25th day of February of 2010.

VICTOR GRATACOS DIAZ LAW OFFICE
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By: /s/ Victor Gratacós Diaz (127906)

PROYECCIONES CAYETANO MARTINEZ TALAVERA
 SITUACION ACTUAL 83 VACAS EN ORDENO PROMEDIANDO 11 LTS/VACA ANTES Y DESPUES DE
 QUE SEG. SOC. (IRS?) EMBARGARLE LA CUENTA.

Ventas: \$ 19,301.00

Otros ingresos:

Seg. Soc. Personal 1,145.00

Total de Ingresos: 20,446.00

Menos Costos Operacionales:

Salarios Empleados:	3,471.00
Gastos Nómina:	0
Alimento Ganado	0.00
Medicinas y Veterinario	10
Cesiones:	
FFIL Higiene	21
FFIL	716
Vicente Ríos	1,000.00
Eurobank	10,000.00
Eurobank	1,560.00
Mantenimiento y Reparación Finca	0.00
Mantenimiento y Reparación Equipo	0.00
Maquinaria Agrícola	0.00
Vehículo Motor	0.00
Gasolina	240.00
Diesel	700.00
Seguro Finca	0.00
Materiales y Suministros	13.00
Servicios Públicos:	
Luz	1,500.00
Agua	70.00
	0
Servicios Profesionales	0.00
Servicios	
Misceláneos	<u>0.00</u>
Total de Costos Operacionales:	19,301.00

Menos Otros Costos:

Gastos Personales 1,145.00

Total de Costos: 20,446.00

Ingresos Netos: 0.00

PROYECCIONES CAYETANO MARTINEZ
MARZO 2010 (5 SEMANAS)
83 VACAS EN ORDENO PROMEDIANDO 11 LITROS/ VACA/ DIA

Ventas: \$ 24,126.00

Otros ingresos:

Seg. Soc. Personal 1,145.00

Total de Ingresos: 25,271.00

Menos Costos Operacionales:

Salarios Empleados:	3,600.00
Gastos Nómica:	275
Alimento Ganado	7,500.00
Medicinas y Veterinario	400
Eurobank	1,000.00
Mantenimiento y Reparación Finca	100.00
Mantenimiento y Reparación Equipo	1,000.00
Maquinaria Agrícola	350.00
Vehículo Motor	146.00
Gasolina	300.00
Diesel	700.00
Seguro Finca	
Materiales y Suministros	400.00
Servicios Públicos:	
Luz	1,500.00
Agua	70.00
Servicios Profesionales	250
Servicios	0.00
Alquiler Finca	2,200.00
Misceláneos	<u>30.00</u>

Total de Costos Operacionales 19,821.00

Menos Otros Costos:

3,388.00

Gastos Personales 23,709.00

Total de Costos:

Ingresos Netos: 2,062.00

PROYECCONES CAYETAMO MARTINEZ
ABRIL 2010
83 VACAS EN ORDENO PROMEDIANDO 11 LTS/VACA/ DIA

Ventas:	\$ 19,301.00
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Otros ingresos:

Seg. Soc. Personal	1,145.00
ganancia mes pasado	<u>2,062.00</u>
Total de Ingresos:	22,508.00

Menos Costos Operacionales:

Salarios Empleados:	4,500.00
Gastos Nómica:	344
Alimento Ganado	6,000.00
Medicinas y Veterinario	400
Eurobank	1,000.00
Mantenimiento y Reparación Finca	100.00
Mantenimiento y Reparación Equipo	0.00
Maquinaria Agrícola	568.00
Vehículo Motor	146.00
Gasolina	300.00
Diesel	700.00
Seguro Finca	0.00
Materiales y Suministros	400.00
Servicios Públicos:	
Luz	1,500.00
Agua	70.00
	0
Servicios Profesionales	250.00
Alquiler Finca	2,200.00
Misceláneos	<u>30.00</u>

Total de Costos Operacionales:

18,508.00

Menos Otros Costos:

Gastos Personales	4,000.00
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Total de Costos:	22,508.00
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Ingresos Netos:	<hr/> <hr/> 0.00
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PROYECCIONES CAYETANO MARTINEZ VENDIENDO 4,000 LTS CUOTA (2,000 PARA EL BANCO)
 MAYO 2010
 A \$22.00 Y COMPRANDO 22 VACAS
 ORDENANDO 85 VACAS, PROMEDIANDO 14 LTS/DIA
 16,660 LITROS BISEMANALES

	\$
Ventas:	25,157.00

Otros ingresos:

Seg. Soc. Personal	1,145.00
ganancia mes pasado	<u>0.00</u>
Total de Ingresos:	26,302.00

Menos Costos Operacionales:

Salarios Empleados:	4,400.00
Gastos Nómina:	337
Alimento Ganado	6,758.00
Medicinas y Veterinario	500
Eurobank	1,000.00
Mantenimiento y Reparación Finca	500.00
Mantenimiento y Reparación Equipo	50.00
Maquinaria Agrícola	2,000.00
Vehículo Motor	146.00
Gasolina	300.00
Diesel	700.00
Seguro Finca	0.00
Materiales y Suministros	425.00
Servicios Públicos:	
Luz	1,700.00
Agua	100.00
	0
Servicios Profesionales	250.00
Alquiler Finca	2,200.00
Misceláneos	30.00
Total de Costos Operacionales:	21,396.00

Menos Otros Costos:

Gastos Personales	3,388.00
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Total de Costos:	24,784.00
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Ingresos Netos:

<u>1,518.00</u>
